

Congress of the United States
Washington, DC 20515

May 19, 2008

The Honorable Sue Payton
Assistant Secretary of the Air Force for Acquisition
Pentagon
1060 Air Force
Washington, DC 20330

Secretary Payton:

It has come to my attention that the KC-X Next Generation Aerial Refueling Tanker competition failed to accurately assess the true cost of the two proposals: the Boeing KC-767 and the EADS KC-30. To protect the integrity of the Air Force acquisition system I request that you immediately commission an independent cost assessment of each proposal. The United States Congress and the American people have a right to know the true cost of each proposal.

In at least one critical area - military construction - it now appears a full cost accounting was not performed. During multiple congressional hearings, Air Force officials testified that the source selection authority was required to include all costs related to the development, production and operation of the new tanker when making a final cost assessment.

Military construction was provided as a clear example of a cost that would be factored into the final Most Probably Life-Cycle Cost (MPLCC) used for the final source selection. Unfortunately, a complete cost accounting did not occur. During a May 8, 2008 Senate Military Construction Appropriations Hearing, witnesses revealed that the Air Force did not include accurate military construction costs for the two proposals. Air National Guard and Air Force Reserve officials testified that they were not consulted about the costs of improving runways and hangers at their installations for either proposal.

The KC-30 is significantly larger than either the existing KC-135 and KC-10, and 53% bigger than the KC-767. Logic dictates that the KC-30 will need longer runways, more ramp-space and bigger hangers than currently exists or would be required for the KC-767. Ramps and runways will need to be strengthened to accommodate the heavy KC-30. The additional military construction needs for the KC-30 will clearly result in a higher cost to the Air Force. Unfortunately, without specific data for individual installations it is impossible to accurately assess the true cost differential.

The American people expected that the true cost of each proposal was being considered in the KC-X competition. That clearly did not occur. An independent cost estimate is the only way to ensure the Air Force, Congress and the American people know the true cost of each KC-X proposal.

I look forward to your reply.

Sincerely,



Todd Tiahrt
Member of Congress



Norm Dicks
Member of Congress